



General Assembly

January Session, 2001

Raised Bill No. 6557

LCO No. 3094

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

***AN ACT CLARIFYING THE EXEMPTION OF NEWSPAPER
DISTRIBUTORS FROM THE UNEMPLOYMENT COMPENSATION
LAW.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Subdivision (5) of subsection (a) of section 31-222 of the general
2 statutes is repealed and the following is substituted in lieu thereof:

3 (5) No provision of this chapter, except section 31-254, shall apply to
4 any of the following types of service or employment, except when
5 voluntarily assumed, as provided in section 31-223:

6 (A) Service performed by an individual in the employ of [his] the
7 individual's son, daughter or spouse, and service performed by a child
8 under the age of eighteen in the employ of [his] the child's father or
9 mother;

10 (B) Service performed in the employ of the United States
11 government, any other state, any town or city of any other state, or any
12 political subdivision or instrumentality of any of them; except that, to
13 the extent that the Congress of the United States permits states to
14 require any instrumentalities of the United States to make

15 contributions to an unemployment fund under a state unemployment
16 compensation law, all of the provisions of this chapter shall be
17 applicable to such instrumentalities and to services performed for such
18 instrumentalities; provided, if this state is not certified for any year by
19 the Secretary of Labor under Section 3304 of the Federal Internal
20 Revenue Code, the contributions required of such instrumentalities
21 with respect to such year shall be refunded by the administrator from
22 the fund in the same manner and within the same period as is
23 provided in sections 31-268, 31-269, 31-270 and 31-271 with respect to
24 contributions erroneously collected;

25 (C) Service with respect to which unemployment compensation is
26 payable under an unemployment compensation plan established by an
27 Act of Congress, provided the administrator is authorized to enter into
28 agreements with the proper agencies under such Act of Congress, to
29 provide reciprocal treatment to individuals who have, after acquiring
30 potential rights to benefits under this chapter, acquired rights to
31 unemployment compensation under such Act of Congress, or who
32 have, after acquiring potential rights to unemployment compensation
33 under such Act of Congress, acquired rights to benefits under this
34 chapter, and provided further, in computing benefits the administrator
35 shall disregard all wages paid by employers who fall within the
36 definition of "employer" in Section 1 (a) of the Federal Railroad
37 Unemployment Insurance Act;

38 (D) Service performed in this state or elsewhere with respect to
39 which contributions are required and paid under an unemployment
40 compensation law of any other state;

41 (E) Service not in the course of the employer's trade or business
42 performed in any calendar quarter by an employee, unless the cash
43 remuneration paid for such service is fifty dollars or more and such
44 service is performed by an individual who is regularly employed by
45 such employer to perform such service. For purposes of this
46 subparagraph, an individual shall be deemed to be regularly

47 employed by an employer during a calendar quarter only if (i) on each
48 of some twenty-four days during such quarter such individual
49 performs for such employer for some portion of the day service not in
50 the course of the employer's trade or business; or (ii) such individual
51 was so employed by such employer in the performance of such service
52 during the preceding calendar quarter;

53 (F) Service performed in any calendar quarter in the employ of any
54 organization exempt from income tax under Section 501(a) of the
55 Internal Revenue Code or under Section 521 of said code excluding
56 any organization described in Section 401(a) of said code, if the
57 remuneration for such service is less than fifty dollars;

58 (G) Service performed in the employ of a school, college, or
59 university if such service is performed (i) by a student who is enrolled
60 and is regularly attending classes at such school, college or university,
61 or (ii) by the spouse of such a student, if such spouse is advised at the
62 time such spouse commences to perform such service, that (I) the
63 employment of such spouse to perform such service is provided under
64 a program to provide financial assistance to such student by such
65 school, college or university, and (II) such employment will not be
66 covered by any program of unemployment insurance;

67 (H) Service performed as a student nurse in the employ of a hospital
68 or a nurses' training school chartered pursuant to state law by an
69 individual who is enrolled and is regularly attending classes in such
70 nurses' training school, and service performed as an intern in the
71 employ of a hospital by an individual who has completed a four years'
72 course in a medical school chartered or approved pursuant to state
73 law;

74 (I) Service performed by an individual [under the age of eighteen in
75 the delivery or distribution of] as a direct seller in the business of
76 delivering or distributing newspapers or shopping news, [not
77 including delivery or distribution to any point for subsequent delivery
78 or distribution] including directly related services such as soliciting

79 customers and collecting receipts, provided (i) all or substantially all of
80 the individual's pay for such service directly relates to sales or other
81 output rather than to the number of hours worked, and (ii) the
82 individual performs such service under a written contract with the
83 newspaper or shopping news publisher which specifies that the
84 individual will not be treated as an employee for federal tax purposes;

85 (J) Service performed by an individual who is enrolled, at a
86 nonprofit or public educational institution which normally maintains a
87 regular faculty and curriculum and normally has a regularly organized
88 body of students in attendance at the place where its educational
89 activities are carried on, as a student in a full-time program, taken for
90 credit at such institution, which combines academic instruction with
91 work experience, if such service is an integral part of such program,
92 and such institution has so certified to the employer, except that this
93 subparagraph shall not apply to service performed in a program
94 established for or on behalf of an employer or group of employers;

95 (K) Service performed by an individual as an insurance agent, other
96 than an industrial life insurance agent, and service performed by an
97 individual as a real estate salesperson, if all such service is performed
98 for remuneration solely by way of commission;

99 (L) Service performed in the employ of a hospital, if such service is
100 performed by a patient of the hospital, as defined in subsection (h) of
101 this section;

102 (M) Service performed by an individual in the employ of any town,
103 city or other political subdivision, provided such service is performed
104 in lieu of payment of any delinquent tax payable to such town, city or
105 other political subdivision; and

106 (N) Service performed by an individual as an outside sales
107 representative of a for-profit travel agency if substantially all of such
108 service is performed outside of any travel agency premises, and all
109 such service is performed for remuneration solely by way of

110 commission. For purposes of this subparagraph, an "outside sales
111 representative" means an individual whose services to a for-profit
112 travel agency are performed under such travel agency's Airlines
113 Reporting Corporation accreditation, or the International Airlines
114 Travel Agent Network endorsement.

Statement of Purpose:

To clarify the exemption of certain newspaper distributors from the unemployment compensation law.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]